

NOTICES OF FINAL RULEMAKING

The Administrative Procedure Act requires the publication of the final rules of the state's agencies. Final rules are those which have appeared in the *Register* first as proposed rules and have been through the formal rulemaking process including approval by the Governor's Regulatory Review Council or the Attorney General. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the *Register* after the final rules have been submitted for filing and publication.

NOTICE OF FINAL RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 49. BOARD OF ATHLETIC TRAINING

PREAMBLE

- 1. Sections Affected**
R4-49-405
- Rulemaking Action**
New Section
- 2. The statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
Authorizing statute: A.R.S. § 32-4103(A)(7)
Implementing statute: A.R.S. § 32-4103(B)
- 3. The effective date of the rules:**
November 25, 2002
- 4. A list of all previous notices appearing in the Register addressing the final rule:**
Notice of Rulemaking Docket Opening: 8 A.A.R. 1836, April 12, 2002
Notice of Proposed Rulemaking: 8 A.A.R. 1768, April 12, 2002
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
Name: Cedes Bruno Morgan
Address: Arizona Board of Athletic Training
5060 N. 19th Avenue, Suite 209
Phoenix, AZ 85015
Telephone: (602) 589-6337
Fax: (602) 589-8354
- 6. An explanation of the rule, including the agency's reason for initiating the rule:**
The Arizona Board of Athletic Training is a new regulatory agency that is required to make rules to enforce A.R.S. § 32-4101 et seq. The Board is adding R4-49-405 to enforce A.R.S. § 32-4103(B), which requires the Board to make rules on the direction of athletic trainer by licensed physicians.
- 7. A reference to any study relevant to the rule that the agency reviewed and either relied on in its evaluation of or justification for the rule or did not rely on in its evaluation or justification for the rule, where the public may obtain or review each study, all data underlying each study, any analysis of the study and other supporting material:**
None
- 8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable
- 9. The summary of the economic, small business, and consumer impact:**
There is no cost increase to small businesses or consumers as any and all costs related to this rule are borne by the implementing agency or its licensees.
- 10. A description of the changes between the proposed rules, including supplemental notices, and final rules:**
Grammatical changes and clarification as requested by the Governor's Regulatory Review Council.

11. A summary of the comments made regarding the rule and the agency's response to them:

None

12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

13. Incorporations by reference and their location in the rules:

None

14. Was this rule previously adopted as an emergency rule?

No

15. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 49. BOARD OF ATHLETIC TRAINING

ARTICLE 4. ATHLETIC TRAINING PRACTICE

Section

R4-49-405. Direction of a Licensed Physician

ARTICLE 4. ATHLETIC TRAINING PRACTICE

R4-49-405. Direction of a Licensed Physician

A licensee shall render service or treatment under the direction of a physician licensed under A.R.S. Title 32, Chapter 13 or 17, as follows:

1. The licensee shall have standard, written protocols for common athletic training activities approved by the physician.
2. The licensee shall have post-injury treatment guidelines that comply with A.R.S. § 32-4103(B) approved by the physician.

NOTICE OF FINAL RULEMAKING

TITLE 12. NATURAL RESOURCES

CHAPTER 15. DEPARTMENT OF WATER RESOURCES

PREAMBLE

1. Sections Affected

R12-15-705

Rulemaking Action

Amend

2. The statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rule is implementing (specific):

Authorizing statutes: Laws 2000, Ch. 391; A.R.S. §§ 45-105(B)(1) and 45-576(H)

Implementing statute: A.R.S. § 45-576

3. The effective date of the rule:

November 22, 2002

4. A list of all previous notices appearing in the Register addressing the final rule:

Notice of Rulemaking Docket Opening: 8 A.A.R. 2176, May 17, 2002

Notice of Proposed Rulemaking: 8 A.A.R. 2159, May 17, 2002

5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

Name: Charles L. Cahoy, Deputy Counsel
Legal Division

Address: Arizona Department of Water Resources
500 N. 3rd Street
Phoenix, AZ 85004

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Telephone: (602) 417-2420

Fax: (602) 417-2415

6. An explanation of the rule, including the agency's reasons for initiating the rule:

This rule incorporates changes mandated by Laws 2000, Ch. 391. The Department exercised no discretion in its amendment or implementation of this rule. Rather, Laws 2000, Ch. 391 required the Department to amend its rule to incorporate the session law's provisions pertaining to calculation of the amount of assured water supply credits. The session law also mandates some additional requirements regarding assured water supply credits that, although not required by the terms of the session law to incorporate these mandatory provisions into its rule, the Department did so for the public's benefit. The exact language of the legislation's substantive requirements appears in the amended rule.

Arizona's Groundwater Code (A.R.S. §§ 45-401 et seq.) delineates areas of Arizona that have experienced significant groundwater depletion, called active management areas (AMAs). The state's five AMAs incorporate Arizona's most populated areas and include areas within Maricopa, Pima, Pinal, Santa Cruz, and Yavapai Counties. Pursuant to A.R.S. § 45-562, each AMA is assigned a management goal. The Director of the Department of Water Resources is charged with the responsibility of developing and overseeing management plans and other programs designed to achieve reductions in withdrawals of groundwater and therefore help reach the management goals of the AMAs.

The Prescott Active Management Area, encompassing 485 square miles in Yavapai County in central Arizona, includes the Little Chino and upper Agua Fria sub-basins. It has a management goal of safe-yield by January 1, 2025, or an earlier date as determined by the Director. The goal of safe-yield means a long-term balance between groundwater withdrawals or losses and replacement of groundwater within an active management area.

The Groundwater Code also established the Assured Water Supply Program as a tool to allow for continued municipal growth in Arizona while also achieving and maintaining the management goal of safe-yield. Pursuant to A.R.S. § 45-576(I), "assured water supply" means that: (1) sufficient water of adequate quality will be available to meet the water needs of the proposed use for at least 100 years, (2) the projected groundwater use by the development is consistent with the management plan and achievement of the management goal for the active management area in which the development is located and (3) financial capability has been demonstrated to construct the water facilities necessary to make the supply of water available for the proposed use. The program requires all persons proposing to offer subdivided lands for sale or lease within an active management area to demonstrate to the Department that an "assured water supply" exists for the proposed subdivision. The Department approves an Assured Water Supply application for a new subdivision only if the projected water use for that subdivision will not interfere with the "long-term balance" of the amount of groundwater stored in the AMA.

There are two methods by which a person who proposes to offer subdivided lands may demonstrate that a proposed subdivision has an assured water supply. A subdivider may apply for and obtain a certificate of assured water supply from the Department for a particular proposed subdivision. Or, the subdivider may obtain a written commitment of water service for the proposed subdivision from a city, town, or private water company that the Director has designated as having an assured water supply. A designated provider is one that has demonstrated to the Department that adequate supplies exist to serve, for 100 years, at least its current demand, its committed demand (the estimated demand of all recorded lots within the boundaries of the area which are not yet served), and a minimum of two years of projected demand.

In February 1995, the Department adopted rules implementing the Assured Water Supply Program. Those rules, found at A.A.C. R12-15-701 et seq., provide specific requirements for an applicant for a certificate or designation of assured water supply, including proving that water supplies are physically, continuously and legally available for at least 100 years. The rules also establish the amounts of groundwater that can be used to establish an assured water supply consistent with achievement of the management goal. Accordingly, the rules mandate that new subdivisions built within active management areas use primarily renewable water supplies, such as surface water.

This amendment is mandated by Laws 2000, Ch. 391. The session law requires the Department to amend its Assured Water Supply Rules to implement the session law's requirements pertaining to extinguishment of grandfathered rights in the Prescott AMA. A grandfathered right is a statutory right to withdraw and use groundwater based on the fact of lawful withdrawals and use of groundwater prior to the establishment of an active management area. Under the Assured Water Supply Rules, the owners of grandfathered groundwater rights may extinguish the rights in exchange for assured water supply credits that a designation or certificate applicant may apply toward its assured water supply determination. In other words, the groundwater allowed to be pumped under the irrigation right may be exchanged for a water provider's right to pump groundwater under an assured water supply determination.

R12-15-705(M) addresses the amount of assured water supply credits established for extinguishing a grandfathered right. The new subsection (M)(7) of the proposed rule incorporates the statutory requirements as directed by the Legislature. It changes the calculation for certain grandfathered rights in the Prescott AMA, giving three different calculations depending upon when the right is extinguished and how many years the irrigation acres associated with the extinguished right were irrigated in calendar years 1994 through 1999.

R12-15-705(L) addresses requirements for extinguishing grandfathered groundwater rights in exchange for assured water supply credits, including return of the certificate evidencing the grandfathered right and submission of a notarized statement of intent to extinguish the right. The new subsection (L)(4) incorporates additional conditions of the

2000 session law for extinguishment of the grandfathered rights located in the Prescott AMA. The Department, although not directed by the legislation to incorporate these additional, mandatory requirements into its rule, did so for the benefit of the public.

7. **A reference to any study relevant to the rule that the agency reviewed and either relied on in its evaluation of or justification for the rule or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

None

8. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable

9. **The summary of the economic, small business, and consumer impact:**

The rule as amended implements what is already state law, reflected in Laws 2000, Ch. 391 and A.R.S. § 45-472.01. The Department is not proposing any action in this rulemaking beyond what the Legislature has required.

Nevertheless, the rule will not result in increased costs for any person or entity affected by the rule, including small businesses. Through 2010, more assured water supply credits may be obtained through the extinguishment process from certain landowners with associated irrigation or Type 1 grandfathered rights, a benefit to both subdivision developers seeking a certificate of assured water supply and to water providers seeking to obtain a designation of assured water supply. Correspondingly, the landowners holding the water rights benefit from the legislation, because they are now allowed to maintain the more valuable year 2000 benefit of their extinguishment credits through 2010. The Department has experienced a burden in terms of staff workload since the legislation took effect in 2000, because of the increased number of extinguishment applications. No impact on public or private employment as a result of the rule is anticipated.

10. **A description of the changes between the proposed rule, including supplemental notices, and final rule:**

Minor grammatical and stylistic changes were made at the request of the Governor's Regulatory Review Council staff.

11. **A summary of the comments made regarding the rule and the agency response to them:**

The Department received no comments at any time during the rulemaking process.

12. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**

None

13. **Incorporations by reference and their location in the rule:**

None

14. **Was this rule previously made as an emergency rule?**

No

15. **The full text of the rule follows:**

TITLE 12. NATURAL RESOURCES

CHAPTER 15. DEPARTMENT OF WATER RESOURCES

ARTICLE 7. ASSURED AND ADEQUATE WATER SUPPLY

Section

R12-15-705. Assured Water Supply Requirement – Consistency with Management Goal

ARTICLE 7. ASSURED AND ADEQUATE WATER SUPPLY

R12-15-705. Assured Water Supply Requirement – Consistency with Management Goal

- A. The ~~Director~~ ~~director~~ shall approve an application for a certificate of assured water supply or a designation of assured water supply only if the applicant submits information from which the ~~Director~~ ~~director~~ determines that the proposed groundwater use will be consistent with the achievement of the management goal of the active management area.
- B. In the Prescott Active Management Area, the proposed use of an applicant for a certificate of assured water supply or a designation of assured water supply is consistent with the achievement of the management goal of the active management area, regardless of the volume of groundwater withdrawn from within the active management area for the proposed use, until the ~~Director~~ ~~director~~ enters a final decision and order determining that the Prescott Active Management Area is no longer at safe-yield under the provisions of this Article.

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- C. The ~~Director~~ ~~director~~ shall determine whether the Prescott Active Management Area continues to be at safe-yield by analyzing a minimum of three annual data reports containing information on:
1. Groundwater levels,
 2. Changes in groundwater levels,
 3. Pumpage volumes from confined and unconfined aquifers,
 4. Long-term precipitation records,
 5. Surface water flow records,
 6. A comparative evaluation of groundwater conditions as related to climatic normal conditions.
- D. When the reports from three successive annual data reports using normalized information, including committed demand and demands associated with the groundwater allocation for designated entities for calendar year 1995, made in accordance with subsection (F)(2), show ongoing water level declines and increased pumpage, the ~~Director~~ ~~director~~ shall make a preliminary determination that the Prescott Active Management Area is no longer at safe-yield.
- E. ~~Before~~ ~~Prior to~~ entering a final decision and order that the Prescott Active Management Area is no longer at safe yield, the ~~Director~~ ~~director~~ shall publish a notice once each week for two consecutive weeks in a newspaper of general circulation in Yavapai County stating that the ~~Director~~ ~~director~~ shall conduct a hearing to determine whether the Prescott Active Management Area is no longer at safe-yield. After publishing notice in the manner described above, the ~~Director~~ ~~director~~ shall hold a hearing in the Prescott Active Management Area within 30 days of the last notice. Any person may appear at the hearing and submit oral or documentary evidence on the issue of whether the Prescott Active Management Area is no longer at safe-yield. ~~A person~~ ~~Persons~~ may submit written comments, concerning matters discussed at the hearing, within 30 days after the hearing. Within 180 days after the termination of the public comment period, the ~~Director~~ ~~director~~ shall enter a final decision and order, determining either that the Prescott Active Management Area remains at safe-yield or that the Prescott Active Management Area is no longer at safe-yield.
- F. If the ~~Director~~ ~~director~~ enters a final decision and order determining that the Prescott Active Management Area is no longer at safe-yield, the ~~Director~~ ~~director~~ shall calculate the volume of groundwater ~~that which~~ may be withdrawn consistent with the management goal of the active management area in accordance with subsection (A) ~~of this Section~~ by adding to the volume of assured water supply credits determined in accordance with subsection (M) ~~of this Section~~, the volume calculated as follows:
1. If the application is for a certificate of assured water supply:
 - a. Subtract the declaration year from 2025, unless the date of application occurs subsequent to the declaration year, in which case subtract the year of the date of application from 2025.
 - b. Determine the total volume of water, from any source, projected by the ~~Director~~ ~~director~~ to meet 100% of the applicant's water demands for the 15th calendar year after the date of application, consistent with the conservation requirements established in the management plan in effect on the date of application for the municipal provider proposed to serve the applicant.
 - c. Multiply the number determined in subsection (F)(1)(a) by the amount calculated in subsection (F)(1)(b).
 - d. Divide the product obtained in subsection (F)(1)(c) by two. The minimum volume ~~that which~~ may be calculated in this ~~subsection paragraph~~ is zero acre-feet.
 2. If the application is for a designation of assured water supply:
 - a. And, except as provided in subsection (F)(2)(c), the date of application occurs within 180 days after the declaration date:
 - i. Multiply 100 by the volume of groundwater withdrawn from within the active management area by the applicant during the declaration year or calendar year 1995, whichever volume is greater, consistent with the conservation requirements established for the applicant in the management plan in effect on the date of application.
 - ii. Determine the volume of the applicant's total water demand, from any source, for the declaration year, consistent with the conservation requirements established for the applicant in the management plan in effect on the date of application.
 - iii. Determine the volume of the applicant's total water demand, from any source, for the 15th calendar year after the declaration year, consistent with the conservation requirements established for the applicant in the management plan in effect on the date of application.
 - iv. Subtract the volume calculated in subsection (F)(2)(a)(ii) from the volume calculated in subsection (F)(2)(a)(iii).
 - v. Subtract the declaration year from 2025.
 - vi. Multiply the volume calculated in subsection (F)(2)(a)(iv) by the number calculated in subsection (F)(2)(a)(v).
 - vii. Divide the product obtained in subsection (F)(2)(a)(vi) by two.
 - viii. Add the volume calculated in subsection (F)(2)(a)(vii) to the volume calculated in subsection (F)(2)(a)(i).

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- b. And, except as provided in subsection (F)(2)(c), the date of application does not occur within 180 days after the declaration date, subtract from the volume calculated in subsection (F)(2)(a) the volume of groundwater calculated in subsection (F)(2)(b)(iii). The volume shall be calculated as follows:
 - i. Determine the volume of groundwater withdrawn by the applicant from within the active management area during the period beginning January 1 of the declaration year and ending either December 31 of the declaration year or December 31 of the calendar year ~~before prior to~~ the date of the application, whichever is later.
 - ii. Multiply the volume of groundwater withdrawn by the applicant from within the active management area in the declaration year by the number of calendar years in the period beginning with the declaration year and ending with the calendar year ~~before prior to~~ the date of application.
 - iii. Subtract from the volume calculated in subsection (F)(2)(b)(i) the volume calculated in subsection (F)(2)(b)(ii).
 - c. And the applicant did not exist as of the declaration date, or the date of application occurs after calendar year 2025, the maximum volume of groundwater ~~that which~~ the applicant may use for the proposed use for 100 years from the date of application consistent with the achievement of the management goal for the Prescott Active Management Area is zero acre-feet.
3. If the ~~Director~~ ~~director~~ receives an application for a certificate of assured water supply or a designation of assured water supply ~~before prior to~~ the declaration year, the ~~Director~~ ~~director~~ shall perform the calculations described in subsection (F)(1) or (2) after the ~~Director~~ ~~director~~ enters a final decision and order determining that the Prescott Active Management Area is no longer at safe-yield.
- G.** Except as provided in subsection (I) or (J) ~~of this Section~~, with respect to the Phoenix and Tucson Active Management Areas, the ~~Director~~ ~~director~~ shall determine the volume of groundwater ~~that which~~ a certificate or a designation of AWS applicant may withdraw from within the active management area for the proposed use for 100 years from the date of application consistent with the management goal of the active management area by adding to any volume of credits determined by the ~~Director~~ ~~director~~, in accordance with subsections (K) and (M) ~~of this Section~~, the volume of groundwater calculated as follows:
1. If the application is for a certificate of assured water supply, multiply the applicable allocation factor located in the table below by the total volume of water, from any source, projected to meet 100% of the applicant's water demand in the 15th calendar year after the date of application, consistent with the applicable conservation requirements established in the management plan in effect on the date of application for the municipal provider proposed to serve the applicant, ~~in the management plan in effect on the date of application~~:

LOCATION OF PROPOSED DEVELOPMENT	MANAGEMENT PERIOD / DATE OF APPLICATION	ALLOCATION FACTOR
TUCSON AMA	Second	15
	Third	8
	Fourth	4
	Fifth	2
	After Fifth	0
PHOENIX AMA	Second	7.5
	Third	4
	Fourth	2
	Fifth	1
	After Fifth	0

2. If the application is for a designation of assured water supply and the applicant provided water to its customers ~~before prior to~~ the effective date of this Article, multiply the total volume of water, from any source, consistent with the first intermediate conservation requirement established in the second management plan, provided by the applicant to its customers during the calendar year ~~before prior to~~ the effective date of this Article by 15 if the applicant is located in the Tucson Active Management Area or by 7.5 if the applicant is located in the Phoenix Active Management Area.
 3. If the application is for a designation of assured water supply, and the applicant commences providing water to its customers on or after the effective date of this Article, zero acre-feet of groundwater.
- H.** Except as provided in subsection (I) or (J) ~~of this Section~~, with respect to the Pinal Active Management Area, the ~~Director~~ ~~director~~ shall determine the volume of groundwater ~~that which~~ an applicant for a certificate of assured water supply or a designation of assured water supply may withdraw from the active management area consistent with the achievement of the management goal of the active management area by adding the volume of assured water supply credits, determined annually in accordance with subsection (M), ~~of this Section~~ to the volume calculated as follows:

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1. If the applicant is a certificate applicant ~~that which~~ will be served by a small municipal provider or a municipal provider ~~that which~~ is required to comply with a total gallons per capita per day ~~total gallons per capita per day~~ requirement or a non-per capita requirement established in the management plan in effect on the date of application for the Pinal Active Management Area:
 - a. Determine the proposed development's 15-year build-out population; ~~and-~~
 - b. Multiply the population determined in subsection (H)(1)(a) by the product of 125 gallons per capita per day and the number of days in the calendar year.
2. If the applicant is a certificate applicant ~~that which~~ will be served by an existing municipal provider ~~that which~~ is required to comply with a residential gallons per capita per day ~~gallons per capita per day~~ requirement established in the management plan in effect on the date of application for the Pinal Active Management Area, zero acre-feet.
3. If the applicant is a certificate applicant ~~that which~~ will be served by a new municipal provider ~~that which~~ is required to comply with a residential gallons per capita per day ~~gallons per capita per day~~ requirement established in the management plan in effect on the date of application for the Pinal Active Management Area:
 - a. Determine the proposed development's 15-year build-out population; ~~and-~~
 - b. Multiply the population determined in subsection (H)(3)(a) by the product of 62.5 gallons per capita per day ~~gallons per capita per day~~ and the number of days in the calendar year.
4. If the applicant is a designation of AWS applicant ~~that which~~ is a small municipal provider or a municipal provider ~~that which~~ is required to comply with a total gallons per capita per day ~~gallons per capita per day~~ requirement or a non-per capita program requirement established in the management plan in effect on the date of application for the Pinal Active Management Area:
 - a. Determine the applicant's service area population for the calendar year; ~~and-~~
 - b. Multiply the population determined in subsection (H)(4)(a) by the product of 125 gallons per capita per day and the number of days in the calendar year.
5. If the applicant is a designation of AWS applicant ~~that which~~ is an existing municipal provider ~~that which~~ is required to comply with a residential gallons per capita per day ~~gallons per capita per day~~ requirement established in the management plan in effect on the date of application for the Pinal Active Management Area, the largest volume of groundwater withdrawn by the applicant within the active management area in any one calendar year, from calendar year 1980 through calendar year 1989.
6. If the applicant is a designation of AWS applicant ~~that which~~ is a new municipal provider ~~that which~~ is required to comply with a residential gallons per capita per day ~~gallons per capita per day~~ requirement established in the management plan in effect on the date of application for the Pinal Active Management Area:
 - a. Determine the applicant's service area population for the calendar year; ~~and-~~
 - b. Multiply the population determined in subsection (H)(6)(a) by the product of 62.5 gallons per capita per day ~~gallons per capita per day~~ and the number of days in the calendar year.
- I. If a municipal provider ~~that which~~ is not a deemed provider in the Phoenix, Tucson, or Pinal Active Management Areas files an application within 180 days after the effective date of this Article as required by R12-15-702(D), the Director ~~director~~ shall determine that the proposed use of the applicant ~~is will be~~ consistent with the management goal of the active management area for calendar years 1996, 1997, and 1998, regardless of the volume of groundwater withdrawn by the applicant within the active management area. Beginning calendar year 1999, the applicant shall comply with the provisions of this Section.
- J. If a municipal provider ~~that which~~ is a deemed provider files an application to be designated on or before January 1, 1997, the Director ~~director~~ shall determine that the proposed use of the applicant is consistent with the management goal for the calendar years 1998, 1999, and 2000, regardless of the volume of groundwater withdrawn by the applicant within the active management area. Beginning calendar year 2001, the applicant shall comply with the provisions of this Section.
- K. After the Director ~~director~~ issues a designation of assured water supply to a municipal provider in the Tucson or Phoenix Active Management Area, the Director ~~director~~ shall, before ~~prior to~~ the beginning of each calendar year, add a volume of groundwater to the volume calculated for the applicant in subsection (G) ~~of this Section to determine in determining~~ whether the use of the provider is consistent with the achievement of the management goal of the active management area. The Director ~~director~~ shall calculate the volume of groundwater by multiplying the provider's total water use, from any source, in the previous calendar year, by the standard incidental recharge factor of 4%. The Director ~~director~~ may establish a different incidental recharge factor for the provider if the provider demonstrates to the satisfaction of the Director ~~director~~ that the ratio of the average annual amount of incidental recharge, expected to be attributable to the municipal provider during the management period, to the average annual amount of water expected to be withdrawn, diverted, or received for delivery by the provider for use within its service area during the management period is different than 4%. If a provider applies for a variance from the standard incidental recharge factor, the provider shall do so in a manner consistent with A.R.S. § 45-565.01(D)(1).

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- L. The ~~Director~~ ~~director~~ shall establish an assured water supply credit for the extinguishment of a grandfathered groundwater right if all of the following conditions are met:
1. The owner of the right submits to the ~~Director~~ ~~director~~ a notarized statement of intent to extinguish the grandfathered groundwater right.
 2. The certificate evidencing the grandfathered groundwater right is returned to the ~~Director~~ ~~director~~ or the ~~Director~~ ~~director~~ receives an affidavit evidencing that the certificate has been lost. If only a portion of a type 1, non-irrigation grandfathered right or irrigation grandfathered right is extinguished, the ~~Director~~ ~~director~~ shall issue a new certificate for the remainder of the right.
 3. If the right being extinguished is a type 1, non-irrigation grandfathered right or an irrigation grandfathered right, the owner of the right submits sufficient evidence of ownership of the land associated with the grandfathered groundwater right.
 4. If the grandfathered groundwater right is located in the Prescott Active Management Area, all of the following conditions are met:
 - a. The land to which the right is appurtenant has not been and will not be subdivided pursuant to a preliminary plat or a final plat that was approved by a city, town, or county before August 21, 1998.
 - b. The land to which the right is appurtenant is not and will not be the location of a subdivision for which a complete and correct application for a certificate of assured water supply was submitted to the Director before August 21, 1998.
 - c. The land to which the right is appurtenant has not been physically developed for industrial, commercial, or other non-irrigation use.
- M. The amount of the assured water supply credit established for extinguishing a grandfathered right is as follows:
1. For the extinguishment of an irrigation grandfathered right, or a portion of an irrigation grandfathered right ~~thereof~~ in the ~~Prescott~~, Phoenix; or Tucson Active Management Area, the amount calculated by multiplying 1.5 acre-feet per acre by the number of irrigation acres associated with the extinguished right and multiplying the product by the difference calculated by subtracting the calendar year of extinguishment from 2025. If only a portion of an irrigation grandfathered right is extinguished, only those irrigation acres associated with the portion of the right that which ~~that which~~ is extinguished shall be included in the calculation.
 2. For the extinguishment of an irrigation grandfathered right in the Pinal Active Management Area, after the right or a portion of the right ~~thereof~~ is extinguished, add annually the product of 3.0 acre-feet per acre multiplied by the number of irrigation acres associated with the extinguished right in each calendar year ~~before~~ ~~prior to~~ 2000, and the product of 1.5 acre-feet per acre multiplied by the number of irrigation acres associated with the extinguished right for each calendar year thereafter. If only a portion of an irrigation grandfathered right is extinguished, only those irrigation acres associated with the portion of the right that which ~~that which~~ is extinguished shall be included in the calculation.
 3. For the extinguishment of a type 1, non-irrigation grandfathered right or a portion of the non-irrigation grandfathered right ~~thereof~~ extinguished in the ~~Prescott~~, Phoenix; or Tucson Active Management Area, the amount calculated by:
 - a. Subtracting the calendar year of extinguishment from 2025.
 - b. Multiplying 1.5 acre-feet per acre by the number of acres to which the type 1, non-irrigation grandfathered right is appurtenant.
 - c. Multiplying the product calculated in subsection (M)(3)(b) by the difference calculated in subsection (M)(3)(a).
 4. For the extinguishment of a type 1, non-irrigation grandfathered right or a portion of the non-irrigation grandfathered right ~~thereof~~ in the Pinal Active Management Area, the amount calculated annually by multiplying 1.5 acre-feet per acre by the number of acres to which the type 1 non-irrigation right is appurtenant. If only a portion of the type 1 non-irrigation right is extinguished, only those acres associated with the portion of the right that which ~~that which~~ is extinguished shall be included in the calculation.
 5. For the extinguishment of a type 2, non-irrigation grandfathered right in the Prescott, Phoenix, or Tucson Active Management Area, the amount calculated by multiplying the number of acre-feet indicated on the certificate by the difference between the calendar year of extinguishment and 2025.
 6. For the extinguishment of a type 2, non-irrigation grandfathered right in the Pinal Active Management Area, an annual amount equal to the number of acre-feet indicated on the certificate.
 7. For the extinguishment of an irrigation grandfathered right or a type 1 non-irrigation grandfathered right in the Prescott Active Management Area:
 - a. Through December 31, 2010:
 - i. If the irrigation acres associated with the extinguished right were irrigated for at least four of the six calendar years preceding January 1, 2000, the amount calculated by multiplying 1.5 acre-feet per acre by the number of irrigation acres associated with the extinguished right and multiplying that product by 25.
 - ii. If the irrigation acres associated with the extinguished right were not irrigated for at least four of the six calendar years preceding January 1, 2000, the amount calculated by multiplying 1.5 acre-feet per acre by the number of irrigation acres associated with the extinguished right and multiplying the product by the difference calculated by subtracting the calendar year in which the statement of intent to extinguish is filed from

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- b. After December 31, 2010, the amount calculated by multiplying 1.5 acre-feet per acre by the number of irrigation acres associated with the extinguished right and multiplying the product by the difference calculated by subtracting the calendar year in which the statement of intent to extinguish is filed from 2025.
- N. A municipal provider that receives ~~receiving~~ credits for the extinguishment of a grandfathered groundwater right may convey the credits. The holder of a certificate may not convey credits obtained for the extinguishment of a grandfathered groundwater right unless the credits are conveyed as part of the transfer of the certificate to which they have been applied.
- O. If an irrigation grandfathered right ~~that which~~ is extinguished has a debit balance in its flexibility account established under A.R.S. § 45-467, the Director ~~director~~ shall subtract the amount of the debit from the amount of the assured water supply credit calculated in subsection (M) ~~of this Section~~.
- P. The Director ~~director~~ shall not give any assured water supply credit for the extinguishment of a type 1, non-irrigation grandfathered right ~~that which~~ was requested to be included by a city or town in the Tucson Active Management Area in the determination made under A.R.S. § 45-463(F) nor to the holder of a type 1, non-irrigation grandfathered right who the Director ~~director~~ determines is likely to continue to receive groundwater from an undesignated municipal provider pursuant to its service area right or pursuant to a groundwater withdrawal permit. The Director ~~director~~ shall not give any assured water supply credit for the extinguishment of a type 2, non-irrigation grandfathered right ~~that which~~ was issued for the purpose of allowing mineral extraction or the generation of electrical power.
- Q. The volume of groundwater ~~that which~~ the Director ~~director~~ determines may be used by a person consistent with the achievement of the management goal of the active management area pursuant to subsection (F), (G), (K), or (M) ~~of this Section~~ may be used by the person in any calendar year.
- R. To determine compliance with the consistency with management goal requirements ~~of established in this Section~~ for the Prescott, Phoenix, or Tucson Active Management ~~Areas, Area,~~ the Director ~~director~~ shall maintain an account, updated annually, of the water supply and demand status for each holder of a certificate of assured water supply and each holder of a designation of assured water supply. The Director ~~director~~ shall subtract annually the volume of groundwater, except for groundwater excluded under subsection (T) ~~of this Section~~, ~~that is which was~~ withdrawn from within the applicable active management area and used by the holder of the certificate or designation, from the volume of groundwater ~~that which~~ the Director ~~determines director has determined~~ under subsections (F), (G), (K), and (M) ~~of this Section~~ that the holder of the certificate or designation may withdraw from within the active management area and use consistent with the achievement of the management goal of the active management area. The Director ~~director~~ shall determine that the use of a holder of a certificate or a designation is not consistent with the management goal of the active management area if the holder of the certificate or the designation has used more groundwater withdrawn from within the active management area than the volume ~~that which~~ the Director ~~director~~ has determined the holder may use consistent with the achievement of the management goal for the active management area.
- S. To determine compliance with the consistency with management goal requirement ~~of established in this Section~~ rule for the Pinal Active Management Area:
1. The Director ~~director~~ shall maintain an account, updated annually, of the groundwater supply and demand status for each holder of a certificate of assured water supply and each holder of a designation of assured water supply. After the Director ~~director~~ calculates under subsection (H) ~~of this Section~~ the volume of groundwater ~~that which~~ the holder of the certificate or designation may withdraw within the active management area and use for a calendar year consistent with the management goal of the active management area, the Director ~~director~~ shall determine compliance with this Section by determining the volume of groundwater withdrawn from within the active management area ~~that which~~ is used by the applicant during the calendar year.
 2. The Director ~~director~~ shall determine that the holder of a certificate or designation is not consistent with the management goal of the active management area if the holder of the certificate or the designation has used more groundwater withdrawn within the active management area during the calendar year than the maximum annual allotment of groundwater ~~that which~~ the Director ~~director~~ has determined the holder may use consistent with the achievement of the management goal for the active management area for the calendar year.
 3. If the Director ~~director~~ determines that the holder of a certificate or designation uses less groundwater withdrawn from within the active management area in any calendar year than the maximum annual allotment of groundwater established for the holder for that calendar year, the Director ~~director~~ shall add to the next calendar year's groundwater allotment the amount calculated by subtracting the volume of groundwater used in the calendar year from the maximum groundwater allotment for the calendar year.
- T. For a holder of a certificate or designation, the Director ~~director~~, upon application, shall exclude the following volumes of groundwater, withdrawn within the applicable active management area and used by the holder, to determine ~~in determining~~ under subsections (R) and (S) ~~of this Section~~ whether the holder's use continues to be consistent with the achievement of the management goal for the active management area:
1. If the Director ~~determines director has determined~~ that a surface water supply is physically available to the holder under R12-15-703 and the volume of the supply actually available to the holder during a calendar year is equal to or less than the drought volume for the supply, the volume of groundwater, other than the groundwater ~~that which~~ is

accounted for under subsections (R) or (S), withdrawn within the active management area ~~that, which,~~ when combined with the holder's available surface water supply, is equal to or less than the holder's drought volume.

2. The volume of groundwater withdrawn from within the active management area to which all of the following apply:
 - a. The Director receives ~~director has received~~ a written determination from the Director ~~director~~ of the Arizona Department of Environmental Quality, stating that the quality of the groundwater pumped or exchanged fails to meet state aquifer water quality standards, ~~that~~ the groundwater is a threat to future drinking water supplies, and ~~that~~ the removal and use of the contaminated groundwater is an appropriate remedial action.
 - b. The groundwater pumped has either been treated or blended to achieve the water quality standards or exchanged for other water supplies ~~that~~ ~~which~~ achieve such standards.
 - c. The groundwater would not have otherwise been removed from the aquifer, or the withdrawal of the groundwater will accelerate the treatment of groundwater at a designated state or federal groundwater clean-up site.
 - d. The groundwater was withdrawn ~~before~~ ~~prior to~~ the end of calendar year 2025.
3. Any volume of groundwater withdrawn within a portion of an active management area ~~that~~ ~~which~~ is exempt from conservation requirements ~~under~~ ~~pursuant to~~ A.R.S. Title 45 due to waterlogging. The Director ~~director~~ shall review the application of this exclusion on a periodic basis, not to exceed 15 years.
- U. For the purpose of performing the calculations prescribed in this Section, the Director ~~director~~ shall evaluate an application for a designation of assured water supply, filed by a city or town ~~that~~ ~~which~~ is deemed to have an assured water supply under A.R.S. § 45-576(E), in the same manner as any other municipal provider.
- V. An applicant for a dry lot subdivision comprised of 20 or fewer lots is exempt from the requirements of this Section.